

Message Text

PAGE 01 STATE 187908
ORIGIN DLOS-02

INFO OCT-01 SS-14 ISO-00 L-01 PA-01 ARA-10 NSC-05
OES-02 INR-05 CIAE-00 NSAE-00 SP-02 ICA-01 /044 R

DRAFTED BY S/AR:SWINSTON/MW

APPROVED BY S/AR:SWINSTON

-----056962 260229Z /15

P 252236Z JUL 78

FM SECSTATE WASHDC

TO AMEMBASSY SANTIAGO PRIORITY

LIMITED OFFICIAL USE STATE 187908

LIMDIS, FOR AMBASSADOR RICHARDSON FROM WINSTON, S/AR

E.O. 11652: N/A

TAGS: PLOS, OVIP (RICHARDSON, ELLIOT L.)

SUBJECT: US NEWS AND WORLD INTERVIEW

1. FOLLOWING IS THE TRANSCRIPT OF THE US NEWS INTERVIEW.
THE MAGAZINE REQUESTS THAT CHANGES BE LIMITED TO CORRECTION
OF ERRORS OR INACCURACIES AND THAT THE CONVERSATIONAL TONE
BE PRESERVED. TRANSCRIPT MUST BE RETURNED MONDAY, AUGUST 7.
SUGGEST THAT ALAN JAMES BRING BACK CORRECTED TRANSCRIPT
WHEN HE RETURNS. WINSTON BELIEVES INTERVIEW IS CRISP, IN-
FORMATIVE, WELL DONE.

2. BEGIN INTERVIEW

Q MR. AMBASSADOR, WHY IS IT NECESSARY FOR THE UNITED
STATES TO BE NEGOTIATING AT ALL OVER THE MINING OF THE DEEP
SEABED? WHY DON'T WE JUST GO AHEAD WITH MINING OPERATIONS
ON OUR OWN, GIVEN THE FACT THAT WE HAVE THE NECESSARY NAVAL
LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 02 STATE 187908

STRENGTH AND TECHNOLOGY?

A THE BASIC REASON FOR PARTICIPATION BY THE US IN THESE
NEGOTIATIONS IS THAT WE WANT TO BE ABLE TO ESTABLISH A FIRM,
UNIVERSALLY RESPECTED LEGAL FRAMEWORK WITHIN WHICH TO CON-
DUCT THESE ACTIVITIES. IF WE CAN ACHIEVE AN ARRANGEMENT
THAT ENCOURAGES INVESTMENT AND ASSURES AN OPPORTUNITY FOR A
REASONABLE RATE OF RETURN, WE WOULD AVOID THE POTENTIAL FOR
CONFLICT THAT COULD FOLLOW FROM PROCEEDING UNDER A UNI-
LATERAL CLAIM OF RIGHT.

Q DO YOU THINK THERE IS THE DANGER OF A FREE-FOR-ALL?

A YES, BUT ASIDE FROM THE DANGER OF A FREE-FOR-ALL, YOU MUST REALIZE THAT AN OVERWHELMING MAJORITY OF COUNTRIES TODAY DO NOT RECOGNIZE THE RIGHT OF ANY NATION TO ENGAGE IN DEEP-SEABED MINING. THE UNITED STATES CONTINUES TO AFFIRM THE RIGHT TO ENGAGE IN SUCH ACTIVITIES. HOWEVER, IF WE WERE TO GO IT ALONE, WE MIGHT FIND OURSELVES DENOUNCED FOR LAWLESS BEHAVIOR, WITH THE MINERALS MINED FROM THE SEABED DECLARED CONTRABAND AND SUBJECT TO SEIZURE IF THEY WERE OFFERED FOR SALE ON THE WORLD MARKET.

ANOTHER POINT TO BE MADE HERE IS THIS: IN A REAL SENSE, ALL THE USES OF THE OCEAN ARE INSEPARABLE. IN THESE NEGOTIATIONS WE ARE NOT DEALING EXCLUSIVELY WITH THE QUESTION OF MINING OF THE DEEP SEABED. WHAT WE ARE DEALING WITH ARE TRADE-OFFS INVOLVING THE INTERESTS OF THE MAJOR DEVELOPED COUNTRIES IN MARITIME RIGHTS, THE INTERESTS OF THE THIRD WORLD COUNTRIES IN A GUARANTEED SHARE OF OCEAN RESOURCES, AND THE INTERESTS OF THE COASTAL STATES IN ESTABLISHING JURISDICTION OVER THE RESOURCES OF THEIR OWN ECONOMIC ZONES.

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 03 STATE 187908

Q DON'T WE ALREADY HAVE A LEGAL RIGHT TO FREEDOM OF NAVIGATION? IN OTHER WORDS, AREN'T WE TRADING SOMETHING FOR NOTHING IN THESE NEGOTIATIONS?

A THE SHORT ANSWER, OF COURSE, IS "NO." YOU HAVE TO REALIZE THAT THINGS HAVE CHANGED DRAMATICALLY SINCE THE HISTORIC PROMULGATION OF THE FREEDOM OF THE SEAS 300 OR 400 YEARS AGO. FOR ONE THING, POPULATION PRESSURES HAVE GENERATED ENORMOUSLY INCREASED DEMAND FOR PROTEIN RESOURCES OF WHATEVER KIND. THIS HAS ENDANGERED THE SURVIVAL OF VITALLY NEEDED FOOD FISH, MORE THAN 80 PERCENT OF WHICH ARE FOUND WITHIN THE COASTAL WATERS AROUND THE WORLD.

ANOTHER NEW FACTOR THAT BRINGS PRESSURES ON THE OCEAN ENVIRONMENT IS THE DISCOVERY THAT MANGANESE NODULES AT THE BOTTOM OF THE OCEAN ARE EXPLOITABLE. ALSO, THERE IS THE EXPANSION IN THE VOLUME OF WORLDWIDE COMMERCIAL TRAFFIC, THE EMERGENCE OF SCORES OF NEW NATIONS, THE RECOGNITION OF ECONOMIC INTERDEPENDENCE, AND THE INSISTENCE BY COASTAL STATES ON POWERS TO PROTECT THEMSELVES AGAINST THE RAVAGING CONSEQUENCES OF OIL SPILLS. ALL OF THESE DEVELOPMENTS HAVE HAD A PROFOUND INFLUENCE ON THE PERCEPTION THAT THERE MUST BE CHANGES IN THE REGIME FOR THE OCEANS.

Q AND THOSE CHANGES REQUIRE A RENEGOTIATION OF THE TRADITIONAL RULES GOVERNING FREEDOM OF THE SEAS?

A THAT'S RIGHT. THERE ALREADY IS UNIVERSAL ACCEPTANCE OF MANY CHANGES IN THE REGIME FOR THE OCEANS. ONE OF THESE CHANGES AFFECTS THE LIMITS OF THE TERRITORIAL SEA. TRADITIONALLY THIS WAS 3 NAUTICAL MILES -- THE DISTANCE WHICH COULD BE COVERED BY A CANNON FIRED FROM SHORE. THIS HAS NOW BEEN ENLARGED TO 12 MILES. ALSO, THERE IS ACCEPTANCE OF A 200-MILE ZONE IN WHICH COASTAL STATES EXERCISE SOVEREIGN RIGHTS OVER ECONOMIC RESOURCES.

LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 04 STATE 187908

SOME COUNTRIES CLAIM THAT THIS 200-MILE ECONOMIC ZONE CONSTITUTES TERRITORIAL SEA -- A CLAIM THAT WE DO NOT RECOGNIZE. AS A RESULT OF THESE CHANGES, THERE IS A NEED TO NEGOTIATE THE RECOGNITION OF NAVIGATIONAL AND OVER-FLIGHT RIGHTS WITHIN THE 200-MILE ECONOMIC ZONE AND THROUGH STRAITS, WHERE FREEDOM OF NAVIGATION IS AFFECTED BY EXTENSION OF THE TERRITORIAL SEA TO 12 MILES.

Q GETTING DOWN TO THE QUESTION OF DEEP-SEABED MINING: JUST WHAT DOES THAT INVOLVE?

A WE'RE TALKING ABOUT THE AREA BEYOND NATIONAL JURISDICTION -- THAT IS, BEYOND THE 200-MILE ECONOMIC ZONE. THE ONLY MINERAL RESOURCES IN THIS AREA THAT ARE NOW WITHIN THE REACH OF COMMERCIAL EXPLOITATION ARE MANGANESE NODULES.

Q WHAT ARE THOSE?

A THEY ARE BLACK, POTATO-SIZED OBJECTS LYING ON THE BOTTOM AROUND MOST OF THE WORLD IN DEPTHS RANGING FROM 12,000 TO 18,000 FEET -- FROM ROUGHLY 2.5 TO 3.5 MILES BELOW THE OCEAN'S SURFACE. THESE NODULES CONTAIN COMMERCIALY EXPLOITABLE QUANTITIES OF NICKEL, COPPER, COBALT AND MANGANESE. THE RICHEST SOURCE OF NODULES IDENTIFIED SO FAR IS AT THE BOTTOM OF A WIDE AREA WEST OF CENTRAL AMERICA AND SOUTH OF HAWAII KNOWN AS THE CLARION-CLIPPERTON ZONE.

Q HOW WILL THEY BE MINED?

A THEY WILL BE COLLECTED FROM THE BOTTOM BY A DEVICE LIKE A VACUUM CLEANER. AND THEN THEY WILL BE BROUGHT TO THE SURFACE THROUGH SOME FORM OF HYDRAULIC PUMPING SYSTEM.

LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 05 STATE 187908

Q HOW VALUABLE ARE THOSE MINERALS?

A IT'S ESTIMATED THAT A SINGLE DEEP-SEA-MINING OPERATION THAT COLLECTS 3 MILLION TONS OF NODULES PER YEAR COULD PRODUCE SOMEWHERE BETWEEN 35,000 AND 40,000 TONS OF NICKEL PER YEAR. BY THE YEAR 2000, 25 OF THESE MINING OPERATIONS WOULD BE PRODUCING ROUGHLY THE EQUIVALENT OF TOTAL WORLD CONSUMPTION TODAY OF 700,000 TONS OF NICKEL.

THE SEABED WILL BECOME AN INCREASINGLY IMPORTANT POTENTIAL SOURCE AS LOWER GRADE LAND-BASED ORES ARE REACHED. THE STEEL COMPANIES INSIST THAT WE WILL BE RUNNING OUT OF ALL MAJOR SOURCES OF LAND-BASED MANGANESE BY THE END OF THIS CENTURY OR THE BEGINNING OF THE NEXT.

Q THE NEGOTIATIONS FOR AN AGREEMENT COVERING THE MINING OF THESE DEEP-SEABED MINERALS HAVE DRAGGED ON FOR FIVE YEARS. WHY ARE THEY SO TOUGH?

A WELL, YOU MUST REALIZE THAT 158 COUNTRIES ARE PARTICIPATING -- NINE MORE THAN THE MEMBERSHIP OF THE U.N. THEY BREAK DOWN ROUGHLY INTO THREE GROUPS WITH WIDELY INCONSISTENT INTERESTS. ONE GROUP CONSISTS OF INDUSTRIAL COUNTRIES -- LIKE THE UNITED STATES -- WITH AN INTEREST IN GAINING A RELATIVELY SECURE SOURCE OF NEEDED MINERALS AND THE OPPORTUNITY FOR THEIR COMPANIES TO PARTICIPATE IN THE EXPLOITATION OF DEEP-SEABED MINERAL RESOURCES.

THE SECOND IS A VERY LARGE GROUP OF DEVELOPING COUNTRIES -- IT'S CALLED THE GROUP OF 77 BUT ACTUALLY EMBRACES 114 COUNTRIES. THEY ADHERE TO THE PHILOSOPHY OF A NEW INTERNATIONAL ECONOMIC ORDER. THEY VIEW THESE NEGOTIATIONS AS PART OF THE PROCESS BY WHICH THEY ACHIEVE A MORE EQUITABLE SHARE OF THE WORLD'S RESOURCES.

FINALLY, THERE IS A THIRD GROUP -- CUTTING ACROSS THE OTHER LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 06 STATE 187908

TWO -- WHICH CONSISTS OF THE LAND-BASED MINERAL PRODUCERS WHO ARE CONCERNED ABOUT THE EFFECT OF DEEP-SEABED MINING ON THEIR MARKETS.

THE DEVELOPING COUNTRIES STARTED THESE NEGOTIATIONS INSISTING THAT AN INTERNATIONAL AUTHORITY SHOULD HAVE A MONOPOLY IN EXPLOITING SEABED RESOURCES. THE INDUSTRIAL COUNTRIES STARTED AT THE OPPOSITE POLE -- INSISTING THAT THE INTERNATIONAL AUTHORITY SHOULD ENGAGE SIMPLY IN LICENSING TO CARRY ON SEABED MINING.

Q HOW HAVE YOU RESOLVED THAT FUNDAMENTAL DIFFERENCE?

A WE HAVE NOW PROGRESSED TO THE POINT WHERE WE ARE TALKING ABOUT A PARALLEL SYSTEM -- BASICALLY A 50-50 COM-

PROMISE BETWEEN THESE BASICALLY OPPOSED APPROACHES.

Q HOW WOULD THAT WORK?

A THERE IS GENERAL AGREEMENT THAT THE CONDUCT OF DEEP-SEABED MINING SHOULD COME UNDER THE JURISDICTION OF AN INTERNATIONAL SEABED AUTHORITY, WHICH WOULD HAVE A DOUBLE FUNCTION. IT WOULD LICENSE PRIVATE CONSORTIA, WHICH WOULD PAY A FEE AND ROYALTIES FOR THE OPPORTUNITY TO CONDUCT MINING OPERATIONS. THE AUTHORITY ALSO WOULD SPONSOR A MINING ENTERPRISE OF ITS OWN. THE PROFITS THE AUTHORITY EARNED FROM ITS MINING OPERATIONS WOULD BE SHARED BY COUNTRIES THAT OTHERWISE WOULD BE UNABLE TO PARTICIPATE IN SEABED MINING.

Q WHAT'S BEHIND THE COMPLAINT THAT THIS SYSTEM WILL BE DOMINATED BY THE DEVELOPING COUNTRIES THAT WILL OPERATE IT FOR THEIR BENEFIT AND CHANGE THE RULES WHEN IT SUITS LIMITED OFFICIAL USE LIMITED OFFICIAL USE

PAGE 07 STATE 187908

THEM?

A THAT IS A LEGITIMATE CONCERN. IT'S CLEAR THAT WE FACE A HARD, CONTINUING EFFORT TO ACHIEVE RESULTS THAT WILL COMPRISE A TOTAL FRAMEWORK STABLE ENOUGH TO JUSTIFY THE LARGE-SCALE INVESTMENT REQUIRED FOR SEABED MINING. THE COST OF DEVELOPING AND EXPLOITING A SINGLE SITE WILL BE IN THE MAGNITUDE OF 700 TO 900 MILLION DOLLARS.

NOBODY IS GOING TO RISK THE INVESTMENT OF THAT KIND OF MONEY EXCEPT UNDER CLEAR-CUT TERMS AND CONDITIONS WHICH GUARANTEE THEM SECURITY OF TENURE OVER A PERIOD OF AT LEAST 20 YEARS. IT WILL TAKE THAT LONG TO RECOVER THE INVESTMENT AND ACHIEVE A REASONABLE RATE OF RETURN IN THE LIGHT OF THE RISKS INVOLVED IN A FORM OF MINING THAT NO ONE AT THIS JUNCTURE CAN BE CERTAIN WILL BE PROFITABLE AT ALL.

THIS CONCERN OF THE PRIVATE MINING COMPANIES IS AT THE HEART OF MOST OF THE MAIN ISSUES THAT REMAIN TO BE RESOLVED. THESE CONCERN THE TERMS AND CONDITIONS OF CONTRACTS BETWEEN PRIVATE COMPANIES AND THE INTERNATIONAL AUTHORITY, THE POWERS AND FUNCTIONS OF THE AUTHORITY AND THE POWERS OF THE POLITICAL BODIES THAT WILL CONTROL THE AUTHORITY.

Q THERE ALSO IS CRITICISM OF A PROPOSAL THAT WOULD REQUIRE PRIVATE MINING COMPANIES TO TURN OVER THEIR TECHNOLOGY TO THE ENTERPRISE OPERATED BY THE INTERNATIONAL AUTHORITY. WHY SHOULD THEY BE FORCED TO HELP THEIR PRINCIPAL COMPETITOR?

A THERE IS A REAL DIFFERENCE HERE. WE IN THE US DELEGA-

TION -- AND IT'S FAIR TO SAY THE REPRESENTATIVES OF ALL
THE INDUSTRIAL COUNTRIES -- RECOGNIZE THAT A TRANSFER OF
TECHNOLOGY TO THE MINING ENTERPRISE OPERATED BY THE INTER-
NATIONAL AUTHORITY IS NECESSARY IF THE PARALLEL SYSTEM
IS TO BE VIABLE. WE ARE PREPARED TO AGREE THAT COMPANIES
LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 08 STATE 187908

CAN BE REQUIRED TO NEGOTIATE THE SALE OF THEIR TECHNOLOGY
TO THIS INTERNATIONAL ENTERPRISE ON FAIR COMMERCIAL TERMS.

THIS REQUIREMENT IS VIEWED WITH GREAT CONCERN BY AMERICAN
MINING COMPANIES. THEY OBJECT TO IT IN PRINCIPLE ON THE
GROUND THAT A NEGOTIATION IN WHICH ONE OF THE PARTIES IS
FORCED TO THE BARGAINING TABLE CANNOT RESULT IN AN AGREE-
MENT ON FAIR COMMERCIAL TERMS. WE BELIEVE THAT SOMETHING
LIKE THIS IS NECESSARY. IT IS ANOTHER OF THE MAJOR ISSUES
THAT REMAIN TO BE RESOLVED.

Q DO YOU EXPECT A BREAKTHROUGH WITH THE RESUMPTION OF THE
LAW OF THE SEA CONFERENCE IN NEW YORK?

A THAT'S NOT ENTIRELY CLEAR AT THIS POINT. THE MOOD OF
THE CONFERENCE AS A WHOLE IS GENERALLY MORE REALISTIC AND
MORE MODERATE THAN AT ANY PREVIOUS STAGE. THERE IS MORE
WIDESPREAD UNDERSTANDING OF THE NEED TO CREATE A FRAMEWORK
THAT WILL PROVIDE SECURITY OF TENURE AND CLARIFY THE GOVERN-
ING PROVISIONS OF THE INTERNATIONAL AUTHORITY THAT WOULD
OVERSEE THE MINING OPERATIONS.

Q MR. AMBASSADOR, AFTER FIVE YEARS OF NEGOTIATIONS, HOW
LONG DO WE INTEND TO ALLOW THEM TO DRAG ON THIS WAY? GIVEN
THIS COUNTRY'S NEED FOR MINERALS, CAN WE DELAY EXPLOITING
SEABED RESOURCES INDEFINITELY?

A WE HAVE NOT DELAYED -- AND I DO NOT BELIEVE THAT WE
SHOULD DELAY -- EITHER THE DEVELOPMENT OF THE TECHNOLOGY
OR THE EXPLOITATION OF THE MINERAL RESOURCES BECAUSE OF
THE CONFERENCE. THE COMPANIES HAVE BEEN MOVING FORWARD
AT THEIR OWN PACE. AND ON MY RECOMMENDATION, THE CARTER
ADMINISTRATION HAS BEEN SUPPORTING U.S. LEGISLATION THAT
LIMITED OFFICIAL USE
LIMITED OFFICIAL USE

PAGE 09 STATE 187908

WOULD PROVIDE FOR THE CONDUCT OF DEEP-SEABED-MINING OPERA-
TIONS BY AMERICAN COMPANIES IN THE ABSENCE OF INTERNATIONAL
AGREEMENT.

IF IT WERE TO BECOME CLEAR AT ANY POINT THAT THE LAW OF THE
SEA CONFERENCE HAD FAILED TO CREATE AN INTERNATIONAL SYSTEM

FOR MINING, IT WOULD THEN BECOME DESIRABLE TO CONSIDER THE POSSIBILITY OF A MULTILATERAL TREATY. INITIALLY THIS WOULD EMBRACE INDUSTRIAL COUNTRIES REPRESENTED IN THE CONSORTIA THAT ARE PREPARING TO ENGAGE IN DEEP-SEABED MINING. OTHER COUNTRIES, INCLUDING DEVELOPING COUNTRIES, COULD BE INVITED TO PARTICIPATE.

Q WILL THE POSSIBILITY OF UNILATERAL ACTION BY THE UNITED STATES ENHANCE THE PROSPECTS FOR A SUCCESSFUL AND EARLY CONCLUSION OF THE LAW OF THE SEA CONFERENCE?

A I THINK IT'S CONTRIBUTING TO THE AWARENESS THAT DEEP-SEABED MINING CAN AND MUST GO FORWARD WITHIN ONE LEGAL FRAMEWORK OR ANOTHER.

END INTERVIEW

3. EDITOR MARVIN STONE OF US NEWS AND WORLD HAS ASKED THAT THIS INTERVIEW AND THEIR PLANS TO PUBLISH IT BE KEPT IN CONFIDENCE.

VANCE

LIMITED OFFICIAL USE

<< END OF DOCUMENT >>

Message Attributes

Automatic Decaptioning: X
Capture Date: 26 sep 1999
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: LAW OF THE SEA, PRESS CONFERENCES
Control Number: n/a
Copy: SINGLE
Draft Date: 25 jul 1978
Decaption Date: 01 jan 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 20 Mar 2014
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1978STATE187908
Document Source: ADS
Document Unique ID: 00
Drafter: S/AR:SWINSTON/MW
Enclosure: n/a
Executive Order: N/A
Errors: n/a
Expiration:
Film Number: D780305-1069
Format: TEL
From: STATE
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1978/newtext/t197807106/baaaezis.tel
Line Count: 350
Litigation Code IDs:
Litigation Codes:
Litigation History:
Locator: TEXT ON-LINE, TEXT ON MICROFILM
Message ID: 7b72566b-c288-dd11-92da-001cc4696bcc
Office: ORIGIN DLOS
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 7
Previous Channel Indicators:
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: n/a
Retention: 0
Review Action: RELEASED, APPROVED
Review Content Flags:
Review Date: 05 may 2005
Review Event:
Review Exemptions: n/a
Review Media Identifier:
Review Release Date: N/A
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
SAS ID: 1857791
Secure: OPEN
Status: NATIVE
Subject: US NEWS AND WORLD INTERVIEW
TAGS: PLOS, OVIP, (RICHARDSON, ELLIOT L)
To: SANTIAGO
Type: TE
vdkgvwkey: odb://SAS/SAS.dbo.SAS_Docs/7b72566b-c288-dd11-92da-001cc4696bcc
Review Markings:
Sheryl P. Walter
Declassified/Released
US Department of State
EO Systematic Review
20 Mar 2014
Markings: Sheryl P. Walter Declassified/Released US Department of State EO Systematic Review 20 Mar 2014